DEVELOPMENT, PANCHAYATI RAJ AND CO-OPERATION SECRETARIAT.

NOTIFICATION.

Bangalore, dated 15th July 1965.

G. S. R. 621.—In exercise of the powers conferred by Section 170 read with section 210 of the Mysore Village Panchayats and Local Boards Act, 1959 (Mysore Act 10 of 1959) the Government of Mysore hereby makes the following rules further to amend the Mysore Taluk Boards Loans Rules, 1960, the draft of the same having been published in Notification No. GSR 503, dated 26th March, 1965 in Part IV, Section 2C (i) of the *Mysore Gazette*, dated 13th May, 1965 as required by sub-section (1) of Section 210 of the said Act, namely :—

1. Title.—These Rules may be called the Mysore Taluk Boards Loans (Amendment) Rules, 1965.

2. Substitution of new rule for rule 16.—For rule 16 of the Mysore Taluk Boards Loans Rules, 1960, the following rule shall be substituted namely :—

"**16. Sinking Fund for non-Government loans.**—(1) In the case of a non-Government loan, if the loan is not repayable by annuities or annual drawing, the Taluk Board shall establish a sinking fund in the following manner namely :

(i) It shall pay out of its income, yearly or half-yearly, to such funds a sum which, accumulating at such rate of compound interest as the authority sanctioning the loan may fix, will be sufficient to secure the liquidation of the loan and within the term fixed for its repayment ; and

(ii) It shall make the first of such payments within one year from the date of taking or raising the loan, unless the sanctioning authority otherwise directs.

(2) The Taluk Board shall invest its sinking fund in the Central or State Government securities or such other securities as may be approved by Government :

Provided that when a loan or an instalment of a loan is to mature within twelve months from the date from which sum is a payable into the Sinking Fund under sub-rule (1), the Taluk Board may deposit in the Government Treasury, or with the approval of the Commissioner in any Scheduled Bank or any Co-operative Bank in the State, such sum or such portion thereof as may be necessary for repayment of such loan or instalment.

(3) The Taluk Board shall submit the accounts of its sinking fund annually to the Accountant General, Mysore, as shall at once make good from its income any amount by which he may certify that the fund is deficient unless the Government sanctions a gradual re-adjustment. The accounts of the Sinking Fund maintained by the Chief Executive Officer shall be made available for such test check by the Accountant General as he may deem fit to make".

[No. LLH 17 RPA 60].

By Order and in the name of the Governor of Mysore,

127

SYED GULAM KHAJA, *Under Secy.*